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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/678,746	10/02/2003	Kenneth Salwitz	13910-012001/2003P00027US	6621
32864	7590	12/23/2008		
FISH & RICHARDSON, P.C. PO BOX 1022 MINNEAPOLIS, MN 55440-1022			EXAMINER KARDOS, NEIL R	
			ART UNIT 3623	PAPER NUMBER
			NOTIFICATION DATE 12/23/2008	DELIVERY MODE ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

PATDOCTC@fr.com

### Office Action Summary

**Application No.**

10/678,746

**Applicant(s)**

SALWITZ ET AL.

**Examiner**

Neil R. Kardos

**Art Unit**

3623

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 08 September 2008.  
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.  
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-36 is/are pending in the application.  
4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.  
5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.  
6) ☒ Claim(s) 1-36 is/are rejected.  
7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.  
8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.  
10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).  
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)  
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)  
3) ☐ Information Disclosure Statement(s) (PTO/CDC)  
4) ☐ Interview Summary (PTO-413)  
5) ☐ Notice of Informal Patent Application  
6) ☐ Other: \_\_\_\_\_  
Paper No(s)/Mail Date \_\_\_\_\_

### **DETAILED ACTION**

This is a **NON-FINAL** Office action on the merits in response to communications filed on September 8, 2008. Currently, claims 1-36 are pending. This action is non-final based on the new grounds of rejection under § 101, found below.

### ***Response to Arguments***

Applicant's arguments with respect to the claims have been considered but are moot in view of the new ground(s) of rejection.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**Claims 1-18 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

Claims 1, 11, and 16: Claims 1, 11, and 16 are directed toward the statutory category of a process. In order for a claimed process to be patentable subject matter under 35 U.S.C. § 101, it must either: (1) be tied to another statutory class of invention (such as a particular apparatus), or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. *See Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972). If neither of these requirements is met by the claim, the method/process is not patentable subject matter under § 101. Thus, to qualify as a statutory process under § 101, the claim should positively recite the other statutory class to which

it is tied (e.g. by identifying the apparatus that accomplishes the method steps), or positively recite the subject matter that is being transformed (e.g. by identifying the material that is being changed to a different state). Nominal recitations of structure in an otherwise ineligible method fail to make the method a statutory process. *See Benson*, 409 U.S. at 71-72. Thus, incidental physical limitations, such as gathering/inputting/outputting data, pre- or post-solution activity, and field of use limitations are not sufficient to convert an otherwise ineligible process into a statutory one.

Here, the claimed process fails to meet the above requirements for patentability under § 101 because it is not tied to another statutory category and does not transform underlying subject matter.

Claims 2-10, 12-15, and 17-18: Dependent claims 2-10, 12-15, and 17-18 are rejected for failing to remedy the deficiencies of the claims from which they depend.

### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 1-15 and 19-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over “Microsoft Project 98 Support Course” (“MSP 1998”) in view of “Microsoft Project 2002: Training Courseware, Lesson 19: Earned Value” (“Chapter 19”) and “Microsoft**

**Project 2002: Training Courseware, Lesson 20: Multiple Projects” (“Chapter 20”), and further in view of Basford, “Earned Value Reporting for the Department of Energy.”**

Claim 1: MSP 1998 discloses:

- storing a simulation version of a project baseline (see pages 3-4 and 3-5; 3-67);
- obtaining, via the operative version, an earned value for a project that corresponds to the project baseline (see at least pages 6-23 through 6-25).

MSP 1998 does not explicitly disclose copying the simulation version to create an operative version of the project baseline (see however, page 6-33 for a similar concept).

Examiner takes Official Notice that it is well-known in the computing arts to copy files in order to have a backup of the original file in case any changes are made. This is especially true of project budgets, where the original budget for a project must be maintained despite any changes that occur to the project. Furthermore, Chapter 19 discloses allowing a user to save multiple baselines for a project (see page 7). Chapter 20 discloses linking multiple projects that can each have their own baseline (see at least page 13). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to apply well-known computing methods to perform the manipulations taught by MSP 1998 on a copied version of the project baseline or to use the techniques taught by Chapter 19 and Chapter 20 to calculate an earned value on a copy of a project baseline. This combination of known elements according to known methods produces a result that would be predictable to one of ordinary skill in the art (e.g. a backup copy of the project baseline).

Basford discloses:

- modifying the operative version in connection with changes to the simulation version; and
- updating a portion of the project baseline that succeeds a time at which the operative version is modified (see page 35, disclosing guidelines for revising a project baseline; specifically, “changes to the baseline are reconciled with the original baseline” and “retroactive changes are not made to the budget, schedule, or performance”).

Essentially, Basford discloses a version of the project baseline that cannot be changed (the claimed “simulation version”; see page 35: “retroactive changes are not made”), and a version that can be changed (the claimed “operative version”; see pp. 33-35: “Forecasting” and “Revisions and Access to Data”). Examiner notes that Basford also contains many of the limitations in this and other claims. The cited references are all related to project management (and the use of earned value management). It would have been obvious to one of ordinary skill in the art at the time the invention was made to include the theories taught by Basford in the methodology described in the Microsoft Project references. One of ordinary skill in the art would have been motivated to do so for the benefit of a more accurate schedule and determination of earned value.

Claim 2: MSP 1998 discloses wherein the earned value is obtained based on an amount of work done on the project and a pre-assigned value for the project baseline (see at least pages 6-23 through 6-25).

Claim 3: MSP 1998 discloses wherein the amount of work done corresponds to a portion of the project that has been completed (see at least page 6-5).

Claim 4: MSP 1998 discloses wherein the project baseline comprises a number of tasks (see at least table on page 6-18), each of the tasks having an assigned value (see at least pages 6-23 through 6-25; 6-28; 6-31 and 6-32); and wherein obtaining the earned value comprises: determining which of the tasks has been completed; and combining assigned values for completed tasks (see table on page 6-28).

Claim 5: MSP 1998 discloses: augmenting the simulation version with a task; mapping the task to the operative version; and reformulating the operative version to account for the task prior to obtaining the earned value (see page 6-33; also note that Microsoft Project allows users to add tasks/projects and recalculate earned values).

Claim 6: MSP 1998 discloses wherein augmenting comprises adding the task to the simulation version but keeping the task separate from previously-existing tasks on the simulation version (see page 6-33; see also page 13 of Chapter 20).

Claim 7: MSP 1998 discloses wherein reformulating the operative version comprises incorporating the task into the operative version so that the project baseline is changed to accommodate the task (see page 6-33).

Claim 8: MSP 1998 discloses wherein the operative version is reformulated so that a portion of the operative version that precedes a time that the task is incorporated is unchanged (see page 6-33; see also page 14 of Chapter 20).

Claim 9: MSP 1998 discloses wherein the operative version is reformulated so that a portion of the operative version that succeeds a time that the task is incorporated is changed (see page 6-33; see also page 14 of Chapter 20).

Claim 10: MSP 1998 discloses wherein the task is selected from among other tasks for mapping to the operative version (see page 6-33; see also Chapter 20).

Claims 11-15: The method of claims 11-15 is substantially similar to the method of claims 1-10, and is rejected under similar rationale.

Claims 19-28: The machine-readable medium of claims 19-28, which carries out the method of claims 1-10, is rejected under similar rationale as claims 1-10.

Claims 29-33: The machine-readable medium of claims 29-33, which carries out the method steps of claims 11-15, is rejected under similar rationale as claims 11-15.

**Claims 16-18 and 34-36 are rejected under 35 U.S.C. 103(a) as being unpatentable over “Microsoft Project 98 Support Course” (“MSP 1998”) in view of “Microsoft Project**



**2002: Training Courseware, Lesson 19: Earned Value” (“Chapter 19”) and “Industry Standard Guidelines for Earned Value Management Systems” (“Guidelines”), and further in view of Bachman, “Single Point Adjustments: A New Definition with Examples.”**

Claim 16: MSP 1998 discloses a method comprising:

- storing a baseline for a project, the baseline comprising work to be performed on the project over a period of time (see pages 6-23 through 6-25; see also pages 3 and 7 of Chapter 19);
- storing a budget associated with the baseline, the budget comprising a budget for work to be performed (see pages 6-23 through 6-25); and

MSP 1998 does not explicitly disclose revising the budget by setting the budget for the work to be performed to be equal to a budget for work performed. Guidelines teaches revising budgets based on prior budgets to improve the baseline integrity and accuracy of performance measurement data (see sections 2.4 and 2.5; specifically, 2.4(f), 2.5(a)-(c)). Furthermore, it is old and well known in the project management arts to re-baseline a project to eliminate schedule variance. For example, companies often re-baseline by rescheduling project activities, including work that has fallen behind schedule. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to revise the budgets of MSP 1998 by setting them equal to a budget for work that has already been performed as taught by Guidelines and as known in the art. One of ordinary skill in the art would have been motivated to do so for the benefit of more accurate budgets.

To support Examiner’s contention that it is old and well known in the project management arts to re-baseline a project to eliminate schedule variance, Examiner has cited

Bachman. Bachman discloses setting existing contract costs and/or schedule variances to zero (see abstract), as well as setting  $BCWP=BCWS=ACWP$  (see page 181: Case 1).

Claim 17: MSP 1998 does not explicitly disclose setting the budget for the work to be performed and the budget for work performed to be equal to a cost of the actual work performed.

Guidelines teaches revising budgets based on performance to date to improve the baseline integrity and accuracy of performance measurement data (see sections 2.4 and 2.5; specifically, 2.4(f), 2.5(a)-(c)). Furthermore, it is old and well known in the project management arts to re-baseline a project to eliminate cost variance. For example, companies often re-baseline by adjusting costs to more accurately reflect the actual cost of materials and services. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to revise the budgets of MSP 1998 by setting them equal to actual costs for work that has already been performed as taught by Guidelines and as known in the art. One of ordinary skill in the art would have been motivated to do so for the benefit of more accurate budgets.

To support Examiner's contention that it is old and well known in the project management arts to re-baseline a project to eliminate schedule variance, Examiner has cited Bachman. Bachman discloses setting existing contract costs and/or schedule variances to zero (see abstract), as well as setting  $BCWP=BCWS=ACWP$  (see page 181: Case 1).

Claim 18: MSP 1998 does not explicitly disclose reassigning value on the baseline to a different time on the baseline.

Guidelines teaches revising schedules to improve the baseline integrity and accuracy of performance measurement data (see sections 2.4 and 2.5; specifically, 2.4(f), 2.5(a)-(c)).

Furthermore, it is old and well known in the project management arts to reprogram a baseline and schedules, for example when project performance deviates significantly from planned performance such that the original plan is no longer a reasonable measurement device.

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to reprogram the schedule of MSP 1998. One of ordinary skill in the art would have been motivated to do so for the benefit of more accurate performance measures and schedules.

Claims 34-36: The machine-readable medium of claims 34-36, which carries out the method steps of claims 16-18, is rejected under similar rationale as claims 16-18.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Fleming, Quentin W., and Joel M. Koppelman. "The Essence and Evolution of Earned Value." *Cost Engineering*, 36:11 (Nov 1994). pp. 21-27.
- Kauffmann, Paul, et al. "Using Earned Value Methods to Substantiate Change-of-Scope Claims." *Engineering Management Journal*, 14:1 (Mar 2002). pp. 13-20.
- Christensen, David S. "Using the Earned Value Cost Management Report to Evaluate the Contractor's Estimate at Completion." *Acquisition Review Quarterly* (Summer 1999).

- Stark, George, and Robert C. Durst. "Using Metrics in Management Decision Making." *Computer* (Sep 1994). pp. 42-48.
- Cass, Donald J. "Earned Value Programs for US Department of Energy Projects." *Cost Engineering*, 42:2 (Feb 2000). pp. 24-43.
- Garden, Gary W. and Robert C. Creese. "Cash Flow Analysis in Construction Projects." *AACE International Transactions* (2000).
- Hayes, Heather B., and Jim Miller. "Using Earned-Value Analysis for Better Project Management." *Biopharm*, 15:3 (Mar 2002). pp. 58-60.
- Town, Charles. "Project Control and Earned Value Management." *Management Accounting*, 76:8 (Sep 1998). pp. 22-24.
- Kim, EunHong. "A Study on the Effective Implementation of Earned Value Management Methodology." Ph.D. Dissertation, The George Washington University (May 2000).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Neil R. Kardos whose telephone number is (571) 270-3443. The examiner can normally be reached on Monday through Friday from 9 am to 5 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Beth Boswell can be reached on (571) 272-6737. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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Examiner  
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/Jonathan G. Sterrett/  
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